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BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission

DOCKETED

DEC 06 1999

CARL J. KUNASEK

CHAIRMAN

JIM IRVIN

COMMISSIONER

WILLIAM A. MUNDELL

COMMISSIONER

DOCKETED BY

[Signature]

IN THE MATTER OF THE
APPLICATION OF ARIZONA PUBLIC
SERVICE COMPANY FOR APPROVAL
OF ITS STRANDED COST RECOVERY
AND FOR RELATED APPROVALS,
AUTHORIZATIONS AND WAIVERS

IN THE MATTER OF THE FILING OF
ARIZONA PUBLIC SERVICE
COMPANY OF UNBUNDLED TARIFFS
PURSUANT TO A.A.C. R14-2-1061, ET.
SEQ.

IN THE MATTER OF COMPETITION IN
THE PROVISION OF ELECTRIC
SERVICES THROUGHOUT THE STATE
OF ARIZONA

DOCKET NO. E-01345A-98-0473

DOCKET NO. E-01345A-97-0773

DOCKET NO. RE-00000C-94-0165

**NEW WEST ENERGY'S
COMMENTS ON ARIZONA
PUBLIC SERVICE
CORPORATION'S CODE OF
CONDUCT**

1 New West Energy supports the proposed code of conduct submitted by APS and
2 urges that the Commission approve this proposal without imposing additional
3 requirements.
4

5 When imposing rules for a competitive market all participants must keep in mind
6 the end goal: to lower prices for customers. Thus the Commission and all parties should
7 consider the cost versus the benefit of rules or requirements which might be imposed on
8 the market participants.
9


10 This is particularly true when considering requirements to functionally or
11 physically separate competitive and non-competitive functions of the incumbent
12 providers. Probably, such requirements will encourage competitors to enter the market.
13 But, the extent to which this is true is yet an unknown.
14

15 New West Energy agrees that the appropriate course for the Commission is to set
16 up and monitor code of conduct requirements. But, New West Energy urges that the
17 Commission exercise caution when considering suggestions in this docket which will
18 impose additional costs while producing marginal, at best, benefits. This should be
19 particularly true in the initial stages of competition, where the majority of the customers
20 will remain as standard offer customers of the incumbent. If real problems develop under
21 this approach, the Commission should address them later, on an "as needed" basis.
22

23 For the reasons stated above, New West Energy supports the APS code of
24 conduct.
25
26

1 Dated this 6th day of December, 1999.

2
3 JENNINGS, STROUSS & SALMON, P.L.C.

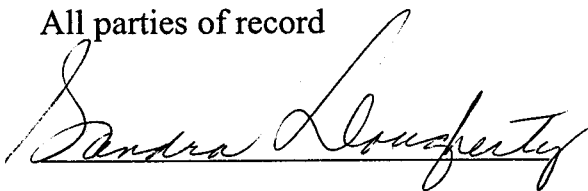
4
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11 ORIGINAL and ten copies of the
12 foregoing hand-delivered this
13 6th day of December, 1999, to:

14 Docket Control
15 Arizona Corporation Commission
16 1200 West Washington
17 Phoenix, Arizona 85004

18 Copy of the foregoing
19 mailed this 6th day of
20 December, 1999, to:

21 All parties of record

22
23 
24
25
26